

UTAH DATA GUIDE

A NEWSLETTER FOR DATA USERS

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STATE OF UTAH REVENUE FORECASTS

A quarterly report of actual and forecast State revenues has been published as part of a ongoing joint effort between the State Tax Commission and the Office of Planning and Budget. State of Utah Revenue Forecast reports will be issued each year in July, October, January and April. The scheduling of these forecasts is designed to coincide with legislative sessions and the annual preparation of the state budget. The first quarterly report was the July, 1985 issue, containing actual and forecast State of Utah General Fund, Uniform School Fund, Transportation Fund and Mineral Lease Payment revenues.

Since state expenditures are constrained by revenue collections, the regular issuance of this report should enhance the planning process. With the information provided by these quarterly publications, and the associated updates of actual and forecast revenues, state agencies and other affected entities should be able to better plan their budgeting activities. Because state budgeting is a year-round effort and economic conditions can change dramatically, it is important to constantly monitor tax collections and to update revenue estimates on a quarterly basis.

The forecasts in these reports are made with the assistance of econometric, time-series and simulation models. In addition to modeling efforts, year-to-date cumulative revenue collections are monitored monthly and comparisons are made between the current fiscal year tax collections and those of previous years. For those months during which the state receives large sales and income tax payments, the Revenue Accounting branch of the Tax Commission's Operation Division provides daily collection comparisons for the current and previous fiscal years. Supplementing the modeling efforts, the combined judgment of the forecasting team plays an important role in the selection of revenue estimates from the range of possible outcomes generated by the various modeling approaches. Economic uncertainties warrant considerable fiscal restraint. Hence, the revenues forecast in these publications are estimates and do not represent actual receipts until collected.

Each report contains an analysis of current economic conditions in Utah and all of the assumptions used in making the forecasts. To obtain copies of the first issue and subsequent reports contact our office.

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BUREAU OF ECONOMIC ANALYSIS PROJECTIONS FOR UTAH

The Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce has recently completed a new set of long term projections of employment, personal income and population for all states in the U.S. It is the opinion of our office that this has been the best federal projection process developed to date. The projections are well thought out and the methodology is vastly improved over that used previously. BEA solicited input from and consulted with each of the states concerning economic activity and demographic trends.

The projections of personal income indicate that Utah will be the third fastest growing state in the U.S. from 1983 to 2000, growing at an annual rate of 3.8%. This rate of growth is exceeded only by Arizona and Nevada. During the same period the U.S. will grow by 2.5%. Utah's index of personal income growth is 146, with the U.S. index equal to 100. That is, Utah's income is expected to grow 46% faster than the nation as a whole.

In terms of population, Utah is projected to be the sixth fastest growing state, exceeded by Arizona, Nevada, Alaska, Colorado, and Florida. Utah is projected to have an average growth rate of 1.8% per year between now and the year 2000, while the nation grows on average by 0.8% per year. Compared to a national index of 100, Utah's index of average annual growth is 219, the population in Utah growing more than twice as fast as the National population.

These projections show Utah being exceeded by nine states in per capita income growth, while another 8 states have equal growth rates. Although Utah is expected to have good growth in personal income, its projected rapid population growth from natural increase reduces the growth rate of per capita income in comparison with the other states. Utah's per capita income is likely to grow by 2% per year to the year 2000. The national rate is projected to be 1.8%, Utah having an index of 113. This is a significant turnaround from the period 1973—1983 when per capita income in Utah grew only 0.9% per year while the nation was growing 1.4% per year. In 1978 per capita income in Utah was 83% of the U.S. figure. By 1983, Utah per capita income had declined to 77%. BEA projects that this percentage will increase only slightly to 78% by 1990 and to 80% of National per capita income by 2000. Relative per capita income is not projected to increase to the 1978 level of 83% until the year 2035.

Projected employment growth would place Utah sixth behind the same states that exceeded Utah in population growth. Average employment growth in Utah should be 2.4% between 1983 and 2000, while the nation grows 1.5% per year, with Utah's comparative index at 157. BEA expects the fastest growing industries in Utah during this period to be durable goods manufacturing, services and finance, insurance and real estate. The fastest growing components of durable goods manufacturing are expected to be electric and electronic equipment, fabricated metal products and transportation equipment (in Utah this includes most private defense products manufacturing). In the services industry, personal, business and miscellaneous professional services (lawyers, accountants, engineers, computer services, etc.), health services and amusement and recreation should have the largest employment gains. The slowest growth industries for Utah are farming (with a decline projected), followed by federal, state, and local government.

The projections developed by BEA compare favorably with those produced by the Office of Planning and Budget (OPB). OPB projects population of 2.24 million in the year 2000, BEA projects 2.16 million, a difference of 3.7%. OPB's projection of total jobs in 2000 is 998,000; while BEA projects 970,000 a difference of 2.9%. If you are interested in more information about the BEA or OBP projections give our office a call.

1990 CENSUS PLANNING MEETING HELD IN UTAH

Last July (Tuesday the 9th), a 1990 Census planning meeting sponsored by the Utah state Data Center, the Utah League of Cities and Towns and the Utah State Library was held. When the meeting began there were about 75 participants representing all levels of government, libraries, academics, utilities, private industry and interested individuals. Those in attendance were informed of Bureau of Census plans for the 1990 Census of Population and Housing as they are developing, expressed their thoughts concerning the successes and failures of the 1980 Census, and made suggestions for the 1990 Census.

All aspects of the Census were covered including how to conduct the Census, the subject content of population and housing questions, the geographic detail, and the data products and services that will be produced. A few of the issues that received attention during the day included: whether or not race data should be collected, the usefullness of the disability questions from the 1980 Census and how more meaningful disability data might be collected, whether noncash benefits should be measured along with money income, collecting data on secondary fuel use, the lateness of data products from 1980, concern about providing data only in certain media having the effect of limiting access to those who can not afford to use these products (such as computer tapes). The Census Bureau stressed the need to keep the cost of conducting the 1990 Census relatively the same as it cost in 1980. Furthermore, they do not want the reporting burden on the public to increase. Therefore, they fill that they will be able to add new questions only as they eliminate some previously asked items.

When the last of these local public meetings is held in October, at least one such meeting will have been conducted in each state. It's still not too late to submit your suggestions. Send any comments to the Chief, Decennial Planning Division, Bureau of the Census, Washington, DC 20233. There is a 16 page "issue paper" which discusses many of the issues and alternatives that are being considered for 1990. We would be happy to mail you a copy if you contact us.

SUBCOUNTY POPULATION AND INCOME ESTIMATES

The Bureau of the Census has released 1984 population estimates and 1983 per capita income estimates for all counties and incorporated cities in the state. These estimates are used by various Federal, State, and local governmental agencies for program planning and administrative purposes. More specifically, these estimates are used by the Office of Revenue Sharing in their formulas that determine levels of funding. Copies of the report containing these estimates are available upon request.

SCHOOL AGE POPULATION INCREASED BY 20 PERCENT

The school—age population declined in 40 states between 1980 and 1984, a report from the Census Bureau shows. Of the 10 states showing an increase Utah had the largest increase, up by 20 percent. Alaska had a 16 percent gain, with the remaining 8 states gaining from 1 to 7 percent. The report shows a 5 percent national decrease in schoolagers, yet the rate of decline appears to be slowing because of increased births since the mid—1970's.

In the U.S., the population under age 5 grew by 9 percent between 1980 and 1984, primarily because more women are in their childbearing years. Fertility has been the highest in Utah, where 12.5 percent of the population was under age 5 in 1984, compared to 7.5 percent nationally.

Copies of the report, <u>State Population Estimates by Age and Components of Change:</u> 1980 to 1984, P-25, No. 970 (GPO Stock No. 003-001-91467-1) are available for \$1.00 each prepaid form the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402.

The Utah State Data Center's purpose is to assist data users in the public and private sectors in accessing and using the broad range of statistical data available from the Bureau of the Census, other federal government agencies, as well as state and local governments in Utah. There are twenty organizations (listed below) affiliated with the Utah State Data Center. The lead organization is the Data Resources Section in the State Office of Planning and Budget (533-6082).

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Stewart Library, Weber State College	5-6546
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Utah Navajo Development Council	1-2285
Six County Commissioners Organization Allan Fawcett	5-8027
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